Official File

Department of Energy Bonneville Power Administration

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

CORPORATE

March 31, 2005

In reply refer to: KDP-7

Schwabe, Williamson & Wyatt, P.C. Mr. Raymond S. Kindley PacWest Center Suites 1600-1900 1211 SW Fifth Ave Portland, OR 97204-3795 (503) 222-9981

RE: FOIA 05-023

Dear Mr. Kindley:

On February 2, 2005, the Bonneville Power Administration (BPA) received a Freedom of Information Act (FOIA) from you, designated as our log number 05-023, in which you requested the following:

- 1. Copies of all communication, correspondence, notes, e-mails, memoranda, meeting minutes, Federal Register Notices, other notices, public announcements or other records (written or electronic) concerning BPA notice to any of BPA's public agency customers or representatives concerning the terms, or existence, of the BPA contracts with PacifiCorp and Puget Sound Energy numbered 01PB-10854 and 01PB-10885. These agreements are also know[n] as the financial settlement agreements and include the provisions for the \$200 million in risk reduction discounts to those utilities. I am interested in receiving information about any BPA notice (formal or informal) to public agency customers before or after BPA executed those contracts.
- 2. Copies of all communications, correspondence, notes, e-mails, memoranda, meeting minutes, agreements or any other records (written or electronic) concerning communications or agreements between BPA, its employees or representatives and PSE, its employees or representatives, and between BPA, its employees or representatives, and PacifiCorp, its employees or representatives, to limit the public distribution or public knowledge of the terms of the BPA contracts with PacifiCorp and Puget Sound Energy numbered 01PB-10854 and 01PB-10885. This request includes any information or communication between BPA, PSE or

PacifiCorp concerning the release or timing of the release of these contracts, their terms, or their associated records of decisions to the public, state public utility commissions, federal regulatory agencies or parties other than BPA, PSE, or PacifiCorp.

BPA is hereby providing all records in its possession responsive to the above request, as noted on the enclosed list. Per your item one, the documents demonstrate that as early as March 2001, BPA had telegraphed to the region the need to reduce load by a full spectrum of customers, both private and public. No contract negotiations with any entity were conducted in a public forum.

Please be aware that if you access www.bpa.gov and search for "load reduction", you should find over 200 documents related to the 2000/2001 load reduction campaign and related power rate and cost recovery adjustment clauses.

Only one item is responsive to your second item, an email from Account Executive Mark Miller cautioning that the WUTC needed to approve the transaction with Puget Sound Energy before the transaction was subject to any public announcement by BPA. This document was released in response to FOIA 04-003.

Several previous FOIA requests relate to these contracts or their predecessors, beginning as early as BPA log number 01-005 in November 2000. Specifically, BPA FOIA numbers 03-025, 03-034, 04-003, and 04-017 cover some of the same subject matter. You may access these previous FOIA responses at BPA's FOIA website at http://www.bpa.gov/EBR/FOIA/FOIAMAIN.htm. For your convenience, the FOIA inquiry and response most relevant to your inquiry, BPA log number 03-025, submitted by Mr. Dan Seligman, has been reproduced and included in this package.

No information has been redacted from the responsive documents. BPA has no other documents responsive to this request.

If you are dissatisfied with this determination, you may make an appeal within thirty (30) days of receipt of this letter to Director, Office of Hearings and Appeals, Department of Energy, 1000 Independence Avenue SW, Washington, D.C. 20585. Both the envelope and the letter must be clearly marked "Freedom of Information Act Appeal".

You have agreed to pay fees to process this request. Search, review and duplication costs for this FOIA totaled \$920.55. However, we provided you an estimated cost of \$500. You will be sent an invoice for \$500 under separate cover by our accounting department.

If you have any questions regarding this response, you may contact me at 503-230-5110.

Sincerely,

Annie Eissler

Corne Pessle

Freedom of Information Act Officer

Enclosures

List of Materials Responsive to BPA FOIA #05-023, 2 pages Responsive Materials

List of Materials Responsive to BPA FOIA #05-023

Item #1:

BPA Press Release, Customer demand, volatile market prompt BPA to revise rate provisions, September 1, 2000

BPA Journal, articles on a) recall of California contracts and b) Demand Exchange, October 2000

BPA Press Release, Strong demand under new contracts exceeds Federal power supply, November 8, 2000

BPA Press Release, BPA Rates Staff and utility customers reach preliminary settlement on power rates, February 20, 2001

BPA Journal, March 2001

Newsbreaker, West Coast Crisis Solutions Project, March 2, 2001

BPA Media Advisory, Forum scheduled on energy crisis, March 26, 2001

Letter to the Region, March 29,2001

Keeping Current, Working Together to Keep the Lights on and Costs Down, April 2001

BPA Press Release, BPA to Announce Measures for Avoiding Huge Electric Rate Hikes this Fall, April 5, 2001

BPA News, Major Rate Hikes, Reliability Issues Threaten NW Power System..., April 9, 2001

Speech, Reducing BPA's Wholesale Power Rate Increases, April 9, 2001

<u>United Steel Workers Press Release</u>, United Steelworkers of America Responds to BPA Proposal to Stay Offline for Two Years, **April 11, 2001**

BPA Journal, BPA Asks Customers to Help Mitigate Rate Increase, May 2001

Keeping Current, Taking on the Energy Crisis; Providing tools for conservation and load reduction, May 2001

May Power Supply Outlook Talking Points, [status unknown], May 2001

BPA Press Release, Alcoa/BPA ink agreement to benefit ratepayers and workers, May 16, 2001

BPA News, Alcoa, BPA ink agreement to benefit ratepayers and workers, May 16, 2001

e-mail, Public Comment ... on News Release - BPA seeks comment on temporary small generator policy, May 18, 2001

Columbia Falls Aluminum Company Press Release, May 21, 2001

BPA News, CFAC, BPA take big steps toward lower regional power rates, May 21, 2001

Record of Decision, Financial Settlement Agreement and Amendment to Residential Exchange Program Settlement Agreement with PacifiCorp, May 23, 2001

BPA/PacifiCorp Press Release, PacifiCorp reduces its take of Federal Power, May 24, 2001

Northwest Power Planning Council News Release, Power Planning Council Analysis..., May 25, 2001

BPA/Clark Public Utilities Press Release, One of the Region's largest PUDs steps up to reduce load, May 25, 2001

e-mail, Council News Conference - Summer Electric Reliability, May 25, 2001

BPA News Shorts, May 30, 2001

BPA Journal, Utilities, DSIs Agree to Cut Loads, June 2001

BPA News, Administrator to Report on regional efforts to hold down power rates, June 5, 2001

BPA Press Release, Administrator will report on regional efforts, June 5, 2001

Record of Decision, Amended Residential Exchange Program Settlement Agreement with Puget Sound Energy, June 6, 2001

BPA Newsbreaker, Wright gives progress report on efforts to reduce October rate increase, June 6, 2001

BPA Press Conference Packet, June 6, 2001

BPA Press Release, More utilities, industries must reduce power purchases from BPA to hold down rates, June 6, 2001

BPA Press Release, Region's largest public utility steps up to Load Reduction Agreement, June 12, 2001

Puget Sound Energy News Room, Puget Sound Energy and BPA reach federal hydropower accord, June 14, 2001

BPA Press Release, Puget Sound Energy and BPA reach federal hydropower accord, June 14, 2001

Record of Decision, Strategy for Utility Customer Load Reduction under Subscription Power Sales Contracts and Utility

Customer Exports of Unplanned Resources under Section 9(c) of the Northwest Power Act, June 15, 2001

BPA Press Release, BPA to announce load cuts and rates Friday, June 29, June 22, 2001

e-mail, Rates Workshops; Load Reduction Strategy ROD June 25, 2001

document, BPA Load Reduction and Power Buyback Preliminary Results Revised 6/26/01, June 26, 2001

BPA News Shorts, June 27, 2001

BPA Press Release, BPA announces new wholesale power rate, June 29, 2001

document, Grand Total for 6 months beginning October 1, 2001, June 29, 2001

Letter to the Region, June 29, 2001

<u>Document</u>, Load Reduction Updated 7/2/01, **July 2, 2001**<u>BPA Journal</u>, The Region Responds!, **July 2001**BPA Speeches, The electricity crisis, where do we go from here, **July 27, 2001**

FOIA O3-025 Response, July 1, 2003

Item #2

e-mail, re Puget signing, June 5, 2001

Department of Energy



Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

CORPORATE

March 18, 2005

In reply refer to: KDP-7

Schwabe, Williamson and Wyatt, P.C. Mr. Raymond S. Kindley PacWest Center Suites 1600-1900 1211 SW Fifth Avenue Portland, QR 97204-3795

RE: FOIA Request #05-023

Dear Mr. Kindley:

I am writing regarding your Freedom of Information Act (FOIA) request #05-023. We are unable to meet the initial deadline for completion of this FOIA request; as permitted by statute; we will take a ten working-day extension of time in which to respond to your request. The extension will also provide us with enough time to collect and complete the review process of the materials gathered in response to your FOIA request. The new due date for this FOIA is March 31, 2005.

If you have any questions, please contact me at (503) 230-5110. Thank you for your patience.

Sincerely,

Annie Eissler

Freedom of Information Officer

anni Ressler

Department of Energy

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

CORPORATE

February 16, 2005

In reply refer to: KDP-7

Schwabe, Williamson & Wyatt, P.C. Mr. Raymond S. Kindley PacWest Center Suites 1600-1900 1211 SW Fifth Ave Portland, OR 97204-3795 (503) 222-9981

RE: FOIA 05-023

Dear Mr. Kindley:

Thank you for your letter of February 15, 2005, agreeing to the fee estimate we provided to process your FOIA request #05-023.

Mr. Gary Insley, Supervisory Public Utility Specialist, has been designated as Authorizing Official for your request. Mr. Insley has 20 working days from today's date, until March 17,2005, to provide a response. Should you have any questions he may be reached at Mail Stop PTS-5 or by calling 503-230-3715.

Sincerely,

Debra Smiley for Annie Eissler

Freedom of Information Office

SCHWABE, WILLIAMSON & WYATT, P.C.



ATTORNEYS AT LAW

PACWEST CENTER, SUITES 1600-1900 • 1211 SOUTHWEST FIFTH AVENUE • PORTLAND, OREGON 97204-3795 TELEPHONE: 503.222.9981 • FAX: 503.796.2900 • www.schwabe.com

RAYMOND S. KINDLEY Direct Line: (503) 796-2987 E-Mail: rkindley@schwabe.com

February 15, 2005

VIA FACSIMILE AND US MAIL

Annie Eissler Freedom of Information Officer Department of Energy Bonneville Power Administration PO Box 3621 Portland, OR 97208-3621

> Re: FOIA 05-023

Dear Ms. Eissler:

In response to your letter dated February 7, 2005, enclosed please find the Fee Estimate Agreement I have signed indicating my acceptance of Mr. Insley's estimation of fees associated with processing my request for information dated January 31, 2005.

RSK:dkg Enclosure RE: FOIA Request 05-023 – Fee Estimate Agreement

For BPA's official records, please sign in the space indicated below that you accept the estimation of fees contained in this letter dated February 8, 2005 regarding FOIA request and send back by return fax (503) 230-4576 or mail.

Mr. Raymond S./Kindley

Schwabe, Williamson & Wyatt, P.C.

Attorneys at Law



SCHWABE, WILLIAMSON & WYATT, P.C.

ATTORNEYS AT LAW

PACWEST CENTER, SUITES 1600-1900 • 1211 SOUTHWEST FIFTH AVENUE • PORTLAND, OREGON 97204-3795 TELEPHONE: 503.222.9981 • FAX: 503.796.2900 • www.schwabe.com

FACSIMILE TRANSMISSION Please notify the recipient immediately.

DATE: February 15, 2005

To:		Fax No.			PHONE NO.	
Annie Eissler Bonneville Power	Admin.	(503)	230-4576	(503) 230-3715		
FROM:		PHONE No.:		E-	E-Mail Address:	
Raymond S. Kindl	ley	(503) 796-2987		rkino	kindley@schwabe.com	
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IF YOU DO NOT RECEIVE ALL OF THE PAGES, PLEASE CALL (503) 796-2410 AS SOON AS POSSIBLE.

FAX OPERATOR:	j.	DIRECT DIAL PHONE:	1000 MOL 0440
L PAX UPEKATUR:	į	LIBRECTIBAL PHONE	1 (503) 796.72(0)
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Department of Energy

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

CORPORATE

February 7, 2005

In reply refer to: KDP-7

Schwabe, Williamson & Wyatt, P.C. Mr. Raymond S. Kindley PacWest Center Suites 1600-1900 1211 SW Fifth Ave Portland, OR 97204-3795 (503) 222-9981

RE: FOIA 05-023

Dear Mr. Kindley:

Thank you for your letter of January 31, 2005, requesting information under the Freedom of Information Act. Specifically you asked for:

- 1. Copies of all communication, correspondence, notes, emails, memoranda, meeting minutes, Federal Register Notices, other notices, public announcements or other records (written or electronic) concerning BPA notice to any of BPA's public agency customers or representatives concerning the terms, or existence, of the BPA contracts with PacifiCorp and Puget Sound Energy numbered 01PB-10854 and 01PB-10885.
- 2. Copies of all communication, correspondence, notes, emails, memoranda, meeting minutes, agreements or any other records (written or electronic) concerning communications or agreements between BPA, its employees or representatives and PSE, its employees or representative, and between BPA, its employees or representatives and PacifiCorp, is employees or representatives, to limit the public distribution or public knowledge of the terms of the BPA contracts with PacifiCorp and Puget Sound Energy numbered 01PB-10854 and 01PB-10885 including any information or communication between BPA, PSE or PacifiCorp concerning the release or timing of the release of these contracts, their terms, or their associated records of decision to the public, state public utility commissions, federal regulatory agencies or parties other than BPA, PSE, or PacifiCorp.

We received your request on February 2, 2005 and designated it FOIA 05-023. Mr. Gary Insley, Supervisory Public Utilities Specialist has been named as authorizing official for your request.

In your letter, you indicated your willingness to pay fees associated with processing up to \$100. Upon review of your request by the authorizing official, it appears the cost to process your request will exceed the \$100 fee limitation noted in your letter. Bonneville charges fees to process FOIA requests. These fees are calculated based on the hourly rate of the searching and reviewing employee(s) plus sixteen percent.

Mr. Insley, has estimated fees associated with processing your request at approximately \$500. In order for us to consider your request perfected and begin the 20 working day response time allowed by FOIA, we require your signed agreement to pay the fee amount estimated above. Please provide your signature on the third page of this letter indicating your agreement to pay the estimated fees and return it to us. Upon receipt, our staff will promptly begin processing your request in the 20 working day time frame provided under the FOIA.

Should you have any questions Mr. Insley may be reached at Mail Stop PTS-5 or by calling 503-230-3715.

Sincerely,

Annie Eissler

Freedom of Information Officer

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RE: FOIA Request 05-023 – Fee Estimate Agreement

For BPA's official records, please sign in the space indicated below that you accept the estimation of fees contained in this letter dated February 8, 2005 regarding FOIA request and send back by return fax (503) 230-4576 or mail.

Mr. Raymond S. Kindley Schwabe, Williamson & Wyatt, P.C. Attorneys at Law